

United States Senate

WASHINGTON, DC 20510

April 26, 2013

Honorable Dianne Feinstein
Chairwoman
Subcommittee on Energy and Water
Development
Senate Appropriations Committee
Senate Dirksen Building, 184
Washington, DC 20510

Honorable Lamar Alexander
Ranking Member
Subcommittee on Energy and Water
Development
Senate Appropriations Committee
Senate Dirksen Building, 188
Washington, DC 20510

Dear Chairwoman Feinstein and Ranking Member Alexander:

As the subcommittee begins its consideration of an appropriation bill for the agencies within the jurisdiction of the Subcommittee on Energy and Water Development, I respectfully request support for the programs listed below. The funding requested for the national programs is to be spent at the agencies' discretion within the existing budget line and is not intended for any specific business, state, community or other entity.

1. Title: Office of the Federal Coordinator for Alaska Natural Gas Transportation Projects

Program Description: The Office of the Federal Coordinator for Alaska Natural Gas Transportation Projects (OFC), established by Public Law 108-324, is an independent agency in the Executive Branch, pursuant to the *Alaska Natural Gas Pipeline Act of 2004*. The OFC is responsible for coordinating all federal activities for an Alaska natural gas pipeline project, including joint surveillance and monitoring with the State of Alaska during construction and for one year following the completion of the project.

Fiscal Year 2013 Funding: \$3 million

Fiscal Year 2014 President's Budget Request: \$1 million

Additional Amount Requested: +\$500,000 and support authority to leverage private sector investment.

Account: Office of the Federal Coordinator for Alaska Natural Gas Transportation Projects

Rationale: Additional funding will ensure the office has the appropriate resources to carry out its projected work, in accordance with existing law, in Fiscal Year 2014. Project sponsors will be working towards submitting an application to the Federal Energy Regulatory Commission to build and operate a pipeline for moving North Slope gas to the market. The office will be responsible for coordinating all activities of relevant agencies.

2. Title: Erosion Control

Program Description: Construction of commercial navigation, flood and storm damage reduction, aquatic ecosystem restoration, and related efforts.

Fiscal Year 2013 Funding: \$1.587 billion

Fiscal Year 2014 President's Budget Request: \$1.35 billion

Additional Amount Requested: +\$30 million

Account: Department of Defense – Civil, U.S. Army Corps of Engineers, Construction

Report Language Requested: *Coastal Community Shoreline*

The Committee is concerned that the administration's request does not adequately address the need to mitigate the increasingly detrimental impacts of erosion on coastal communities. This is especially true in rural, remote communities in the Northwestern United States where erosion is caused and exacerbated by rapid changes in climate. Many of these communities' very existence is threatened as rapidly accelerating coastal erosion is causing communities to literally fall into the sea. The erosion also impacts landfill, utility and sewage systems and barge landings, causing health concerns and disrupting day-to-day activities as well as the flow of goods into the community. Therefore, the Committee recommends an increase of \$30 million to be used for addressing erosion control needs of rural and remote communities where erosion is severely impacting the flow of goods and disrupting day-to-day activities and overall existence of the community.

Rationale: Rural and remote coastal communities severely impacted by erosion face health issues, accessibility challenges and continue to have their erosion control needs unfunded.

3. Title: Small, Remote and Subsistence Ports and Harbors

Program Description: Necessary for the preservation, operation, maintenance and care of existing river, harbor, flood control, and related projects.

Fiscal Year 2013 Funding: \$2.286 Billion

Fiscal Year 2014 President's Budget Request: \$2.588 billion

Additional Amount Requested: +\$50 million

Account: Department of Defense – Civil, U.S. Army Corps of Engineers, Operations and Maintenance

Rationale: Our nation's small ports and harbors are critical to communities and greatly contribute to our country's economic vitality. They are home to fishing fleets, marinas and recreational facilities, and are critical to maintaining and creating jobs. In many communities not connected to a road system, the small port is the economic and cultural lifeline of the community—they have no other options to move goods other than through their port. However, small ports nation-wide remain underfunded. The President's Budget request for Fiscal Year 2014 does not fully utilize the Harbor Maintenance Trust Fund, compounding the negative impact on the navigability of U.S. waterways due to continuous underfunding, particularly small ports and harbors which are unable to

compete with larger waterways. Seeking supplemental appropriations when outages occur creates inefficiencies, increased cost and inability to plan.

Report Language Requested (included in S.Rept. 112-164 to accompany S.2465): The Committee is concerned that the administration's criteria for navigation maintenance does not allow small, remote, or subsistence harbors and waterways to properly compete for scarce navigation maintenance funds. The Committee urges the Corps to revise the criteria used for determining which navigation maintenance projects are funded in order to develop a reasonable and equitable allocation under this account. The criteria should include the economic impact that these projects provide to local and regional economies, in particular, those with national defense or public health and safety importance. In addition, the Committee recommends the Corps explore the viability of letting communities 'buy-back' the benefit-to-cost ratio by increasing the local share when the calculated benefits are less than the calculated costs. To address the unmet requirements of small ports and harbors the Committee recommends an increase of \$50 million.

4. Title: Denali Commission

Program Description: The Commission is an independent federal agency created by Congress that acts as a regional commission focusing on the basic infrastructure needs of rural Alaska. Working as a federal-state-local partnership, the Commission provides critical utilities, infrastructure and support for economic development in Alaska by delivering federal services in the most cost-effective manner possible.

Fiscal Year 2013 Funding: \$13 million

Fiscal Year 2014 President's Budget Request: \$14 million

Additional Amount Requested: Support the President's Budget

Account: Independent Agencies, Denali Commission

5. Title: Office of Indian Energy Policy and Programs

Program Description: The Office of Indian Energy is charged by Congress to direct, foster, coordinate, and implement energy planning, education, management, and programs that assist tribes with energy development, capacity building, energy infrastructure, energy costs, and electrification of Indian lands and homes. The Office of Indian Energy works within the Department of Energy, across government agencies, and with Indian tribes and organizations to promote Indian energy policies and initiatives. The Office of Indian Energy performs these functions within the scope of the Department of Energy's mission and consistently with the federal government's trust responsibility, tribal self-determination policy and government-to-government relationship with Indian tribes.

Fiscal Year 2013 Funding: \$2 million

Fiscal Year 2014 President's Budget Request: \$2.5 million

Additional Amount Requested: Support the President's Budget

Account: Department of Energy, Departmental Administration, Administrative Operations

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Finally, I support all of the U.S. Army Corps of Engineers projects in each appropriation account for the State of Alaska as requested by the President's Budget for Fiscal Year 2014 and urge the Subcommittee's retention of appropriations for those projects.

Thank you for your consideration of these requests. Please do not hesitate to contact my staff member, Lindsay Kavanaugh, at (202) 224-1924 if additional information is required.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mark Begich", is positioned above the printed name.

Mark Begich
United States Senator